## **REMARKS**

The claims in the application are 29-42, 44-52 and 55-62.

Favorable reconsideration of the application as amended is respectfully requested.

Claim 29 has been amended to eliminate the objection raised in paragraph 4 of the Office Action while Claim 47, which has been indicated allowable in paragraph 11 of the Office Action, has been amended into appropriate independent form. Independent Claims 61 and 62 remain allowed in paragraph 12 of the Office Action.

Additionally, Claims 31, 34, 42 and 45 have been amended into independent form, while Claims 52-54 have been consolidated into independent Claim 52 and recitation added to independent Claim 34 on calling the subscriber via either the mobile or geographic subscriber number. Accordingly, the only outstanding issue is the prior art rejection of the claims.

More specifically, Claims 28, 30-33, 35-40, 43, 46 and 52-60 have been rejected under 35 U.S.C. §102 as being anticipated by newly-cited U.S. Pat. No. 5,802,468 to Gallant et al in paragraph 6 of the Office Action while Claims 29, 31, 41, 42, 45 and 48-51 have been rejected under 35 U.S.C. §103 as obvious over Gallant et al in view of previously-cited U.S. Pat. No. 5,568,153 to Beliveau in paragraphs 8 and 10 of the Office Action and Claim 34 has been rejected under 35 U.S.C. §103 as obvious over Gallant et al in view of previously-cited U.S. Pat. No. 6,233,448 to Alperovich et al in paragraph 9 of the Office Action. In any event, it is respectfully submitted the present invention as recited in <u>all</u> pending claims herein is patentable over this combination of art, for the following reasons (reference will be made to preferred embodiments of the present invention illustrated in the drawings of the present application).

The arguments in favorable of patentability of the claimed invention raised in the previously-filed Appeal Brief, notably over previously-cited Beliveau and Alperovich et al, are respectfully incorporated by reference herein. Regarding independent Claim 31, Gallant et al disclose at column 10, lines 1-10 and Figs. 4a-c, especially Fig. 4b, a local calling area which is <u>not</u> the home calling area but smaller than a wider calling area according to Fig. 4c. Alperovich et al are silent regarding this aspect while Beliveau discloses, at column 1, lines 33-39:

... a subscriber may be offered cellular services at a flat rate when at home or in his neighborhood, at a reduced rate (per minute) when at work (or at a second home), and at a standard (full) rate elsewhere."

thus also failing to teach applying the home-zone tariff when the home-zone and e.g., city-zone overlap.

Independent Claim 34 is directed to, among other features, calling a subscriber within the home-zone (and also when selected by the subscriber elsewhere with additional charge), by calling the mobile subscriber number or constituted geographic number. Both Gallant et al and Beliveau are silent regarding this particular feature while Alperovich et al disclose, in Fig. 1, a mobile station (and consequently a mobile number) and additionally a fixed station (and consequently a geographic number for the fixed line); however, there is <u>no</u> disclosure or <u>even</u> suggestion in Alperovich et al a subscriber may be called on his mobile telephone by calling his mobile <u>or</u> geographic number.

With respect to independent Claim 42, Gallant et al only disclose a <u>first</u> signal/code, namely at column 10, lines 43-45:

The mobile station processor calculates position of the mobile station based on BTS grid location information stored in the SIM and the time of arrival of the respective BTS signals.

However, Gallant et al are <u>silent</u> regarding presence of any <u>second</u> code whether a stipulation has taken place. This second code is a necessary feature for fraud prevention, ensuring a subscriber cannot arbitrarily change or modify his home-zone, e.g., to use his mobile telephone throughout the country while being charged for just a local home-zone tariff.

By the same token, Alperovich et al state at column 5, lines 1-4:

Upon determining that the position of the mobile phone 14 is within a predetermined distance of the home coordinates, the action codes 64 associated with the activation location 62 trigger a call forwarding feature.

While there clearly must be a "first" code according to Alperovich et al, i.e., an authentification code, nevertheless Alperovich et al is silent regarding presence of any second code.

Beliveau also fails to show or suggest a second code which is used for fraud prevention. Fig. 4 of Beliveau and the concomitant description only disclose code signals for authorizing a user unit for the particular subscriber area. There is no disclosure or suggestion in Beliveau of presence of a <u>second</u> code. In fact, none of these three references provide any solutions for preventing such fraud.

With respect to independent Claim 45, both Gallant et al and Alperovich et al fail to disclose (b) a GIS system while all three references fail to disclose (d) transmitting the location and local radius to a subscriber detection module as a user unit. Gallant et al explicitly state at column 8, lines 56-60:

Once the service area cells that are overlapped by a subscriber's home and local

calling areas are known, the respective identification codes of the <u>service area</u> <u>cells</u> are transmitted to the subscriber's mobile station and stored in a memory at the mobile station [emphasis added].

Thus, Gallant et al do <u>not</u> disclose transmitting <u>the location and local radius</u> to the subscriber detection module of the user unit. Consequently, even if all three citations are combined, the invention recited in Claim 45 is <u>still</u> not even suggested by such combination.

With respect to dependent Claim 48, it is also respectfully pointed out none of these three citations disclose or suggest the feature of transmitting the square of the local radius to a subscriber code module (SIM). If the square of the point of location radius is transmitted to the subscriber identity module, then calculations are no longer necessary for the mobile user unit and hence energy is saved, in particular for determining whether a newly-activated cell lies within the subscriber area. This feature and the concomitant advantages are neither disclosed nor suggested by the three applied citations.

Concerning Claim 52 as amended into independent form herein, both Gallant et al and Beliveau are silent regarding the feature of (a) relaying incoming information if a user unit is located outside the subscriber area. Alperovich et al refer, at column 5, lines 1-20, to forwarding incoming calls from the mobile station to the fixed line telephone when the user is at home or office. However, this does <u>not</u> relate to forwarding calls to a subscriber's mobile phone or answering machine if a user unit is located <u>outside</u> the subscriber area, i.e., definitely <u>not</u> at home or office.

Furthermore, none of these three citations discloses or suggests the feature of (b)

stipulating the subscriber areas repeatedly and/or with various radio cells, i.e., stipulating a home-zone. All these citations refer to functioning communication systems which have already been put into operation. Moreover, the feature of (c) allocating two subscriber calls in a subscriber area, relates to calling a subscriber within the home-zone by calling the mobile subscriber number or the constituted geographic number and allows replacement of the fixed line apparatus since the subscriber has a fixed line number for his mobile phone. None of the three citations discloses or suggests this particular feature (c) either.

The remaining art of record has not been applied against the claims and will not be commented upon further at this time.

Therefore, in view of the forgoing amendment and accompanying remarks, it is respectfully submitted the present application is now in condition for allowance. Please contact the undersigned attorney should there be any questions. A petition for an automatic three month extension of time for response under 37 C.F.R. §1.136(a) is enclosed in triplicate together with the requisite petition fee and fee for additional independent claims introduced herein.

Early favorable action is earnestly solicited.

Respectfully submitted,

George M. Kapfan Reg. No. 28,375

Attorney for Applicant(s)

DILWORTH & BARRESE, LLP 333 Earle Ovington Blvd. Uniondale, NY 11553 (516) 228-8484